

## Message Text

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43

ACTION IO-10

INFO OCT-01 ARA-10 EUR-12 EA-10 ISO-00 IOE-00 SSO-00

NSCE-00 USIE-00 INRE-00 CIAE-00 DODE-00 PM-03 H-02

INR-07 L-02 NSAE-00 NSC-05 PA-02 PRS-01 SP-02 SS-15

DIWY-01 AID-05 COME-00 EB-07 SIL-01 LAB-04 TRSE-00

OIC-02 ACDA-10 OMB-01 AGR-10 AF-06 NEA-09 TAR-01

STR-04 CIEP-02 FRB-01 CEA-01 /147 W

----- 076896

O R 241726Z MAR 75

FM AMEMBASSY LIMA

TO SECSTATE WASHDC IMMEDIATE 4424

INFO AMEMBASSY TOKYO

AMEMBASSY VIENNA

USMISSION EC BRUSSELS

USMISSION OECD PARIS

USMISSION GENEVA

USMISSION USUN NEW YORK

UNCLAS SECTION 1 OF 2 LIMA 2367

TOKYO FOR USDEL TO CNR; VIENNA FOR UNIDO

FROM USDEL UNITO-II CONFERENCE

E.O. 11652: N/A

TAGS: UNIDO, EGEN

SUBJECT: UNIDO-II--DRAFT DECLARATION OF PRINCIPLES

REFTEL LIMA 2350

1. FURTHER TO REFTEL DRAFTING COMMITTEE HAS COMPLETED FIRST  
READING FOLLOWING TEXT AND AGREED ON LANGUAGE OF PARAS. 58, 59,  
60 AND 61 OF PLAN OF ACTION. REQUEST DEPT REVIEW LANGUAGE AND  
ADVISE IMMEDIATE IF ANY SECTIONS NOT ACCEPTABLE:

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2. QUOTE 58. IN THE DEVELOPING COUNTRIES NATIONAL INDUSTRIAL-  
IZATION POLICIES SHOULD LAY EMPHASIS ON THE FOLLOWING ELEMENTS:

(A) THE FORMULATION OF LONG-TERM AND CLEARLY DEFINED  
INDUSTRIALIZATION PLANS AND STRATEGIES WHICH REST IN THE FIRST  
PLACE ON NATIONAL EFFORT AND THE INTRODUCTION OF CONCRETE MEASURES  
AND INSTITUTIONAL MACHINERY FOR THEIR EXECUTION, CONTINUOUS  
APPRAISAL AND, IF NECESSARY, ADJUSTMENT. APPROPRIATE ATTENTION  
SHOULD BE GIVEN TO THE DEVELOPMENT OF THE GOVERNMENT SECTOR AND  
NATIONAL PLANNING;

(B) IN THE FORMULATION OF INDUSTRIALIZATION PLANS AND  
STRATEGIES, THE CHARACTERISTICS OF EACH COUNTRY IN THE LIGHT OF ITS  
SOCIAL AND ECONOMIC STRUCTURE SHOULD BE GIVEN DUE CONSIDERATION.  
IN ADDITION, SOCIAL JUSTICE SHOULD BE A GUIDING FACTOR IN ACHIEVING  
THE OBJECTIVES OF RAISING THE LIVING STANDARDS AND ELIMINATING  
EXTREME SOCIAL DISADVANTAGES AND UNEMPLOYMENT, PARTICULARLY AMONG  
YOUNG PEOPLE. TO THIS END, PROPER INDUSTRIAL DEVELOPMENT SHOULD  
PERMIT SUCH GROWTH AS IS REQUIRED FOR ECONOMIC DEVELOPMENT AND  
SHOULD ALSO BE A POWERFUL FACTOR FOR THE PROMOTION OF TECHNOLOGY  
AND GROWTH IN OTHER SECTORS, AND THE REALIZATION OF THE ASPIRATIONS  
OF MANKIND. IT SHOULD ALSO, BY THE ORIENTATION OF ITS OBJECTIVES,  
MAKE A POSITIVE CONTRIBUTION TO WORLD PEACE;

(C) NO CHANGE.

(D) NO CHANGE.

(E) NO CHANGE.

(F) NO CHANGE.

(G) ENCOURAGEMENT AND SUPPORT OF SMALL, MEDIUM-SCALE AND  
RURAL INDUSTRY AND INDUSTRIES WHICH FULFIL THE BASIC NEEDS OF  
THE POPULATION AND WHICH CONTRIBUTE TO THE INTEGRATION OF DIFFERENT  
SECTORS OF THE ECONOMY; AND TO THIS END DUE ATTENTION SHOULD ALSO  
BE GIVEN TO THE INDUSTRIAL CO-OPERATIVES AS MEANS OF MOBILIZING THE  
LOCAL HUMAN, NATURAL AND FINANCIAL RESOURCES FOR THE ACHIEVEMENT  
OF NATIONAL OBJECTIVES OF ECONOMIC GROWTH AND SOCIAL  
DEVELOPMENTS;  
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(H) NO CHANGE.

(I) NO CHANGE.

(J) (NEW PARAGRAPH) SOUND ECONOMIC POLICIES TO ASSURE ECONOMIC  
STABILITY AND FACILITATE ADEQUATE DOMESTIC SAVINGS RATES COMMENSURATE  
WITH INDUSTRIAL DEVELOPMENT OBJECTIVES;

(K) (FORMERLY J) THE INTENSIFICATION OF MANPOWER DEVELOPMENT PROGRAMMES AND THE PROFESSIONAL TRAINING OF MANAGEMENT STAFF INCLUDING THE EFFECTIVE INCORPORATION OF WOMEN IN ORDER TO ACHIEVE THE FULLEST POSSIBLE USE OF AVAILABLE HUMAN RESOURCES WITH PARTICULAR REFERENCE TO INDUSTRIAL MANAGEMENT. IN THIS CONTEXT MEASURES SHOULD BE ADOPTED TO ATTENUATE THE PROBLEM OF THE EXODUS OF ENGINEERING, SCIENTIFIC AND RESEARCH PERSONNEL FROM THE DEVELOPING COUNTRIES;

(L) (FORMERLY K) NO CHANGE.

(M) (FORMERLY I) NO CHANGE.

(N) (NEW PARAGRAPH) ENSURING AN ADEQUATE ROLE FOR THE STATE IN THE DIRECTION OF INDUSTRIAL DEVELOPMENT AND THE PUBLIC SECTOR IN THE EXPANSION OF INDUSTRIES. ELABORATE MEASURES BY WHICH PRIVATE AND FOREIGN INVESTMENT COULD BE EFFECTIVELY USED IN ORDER TO ACHIEVE THE OBJECTIVES OF NATIONAL ECONOMY DEVELOPMENT PLANS;

(O) (FORMERLY M) THE ESTABLISHMENT AND STRENGTHENING OF MACHINERY AND INSTITUTIONS TO REGULATE AND SUPERVISE FOREIGN INVESTMENT AND PROMOTE THE TRANSFER OF TECHNOLOGY;

(P) (FORMERLY N) THE FORMULATION OF POLICIES AND THE APPLICATION OF SPECIFIC MEASURES TO INCREASE AND DIVERSIFY SOURCES OF FOREIGN EXCHANGE EARNINGS, BY EXERTING APPROPRIATE CONTROL OVER THE MARKETING OF THEIR PRODUCTS; THE ADOPTION OF POLICIES AIMED AT EFFECTING INCREASED PARTICIPATION BY DEVELOPING COUNTRIES IN THE INTERNATIONAL MARKETING OF THEIR PRODUCTS. END QUOTE

3. QUOTE 59. THE DEVELOPED COUNTRIES SHOULD ADOPT THE FOLLOWING MEASURES:

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(A) PROGRESSIVE ELIMINATION OR REDUCTION OF TARIFF AND NON-TARIFF BARRIERS, AND OTHER OBSTACLES TO TRADE. ADHERENCE TO THE FULLEST EXTENT POSSIBLE TO THE PRINCIPLE OF THE 'STANDSTILL' ON IMPORTS FROM DEVELOPING COUNTRIES AND RECOGNITION OF THE NEED FOR PRIOR CONSULTATION WHERE FEASIBLE AND APPROPRIATE IN THE EVENT THAT SPECIAL CIRCUMSTANCES WARRANT A MODIFICATION OF THE 'STANDSTILL'.

(B) ADOPTION OF TRADE MEASURES DESIGNED TO ENSURE INCREASED EXPORTS OF MANUFACTURED AND SEMI-MANUFACTURED PRODUCTS INCLUDING PROCESSED AGRICULTURAL PRODUCTS FROM THE DEVELOPING TO THE DEVELOPED COUNTRIES;

(C) CONSIDERATION DEFERRED.

(D) CONSIDERATION DEFERRED.

(E) INCREASED FINANCIAL CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS AND TO GOVERNMENT OR CREDIT INSTITUTIONS IN THE DEVELOPING COUNTRIES IN ORDER TO FACILITATE THE PROMOTION OR FINANCING OF INDUSTRIAL DEVELOPMENT. SUCH CONTRIBUTIONS MUST BE COMPLETELY FREE OF ANY KIND OF POLITICAL CONDITIONS AND SHOULD INVOLVE NO ECONOMIC CONDITIONS OTHER THAN THOSE NORMALLY IMPOSED ON BORROWERS.

(F) FOURTH SUB-SUB PARA REVISED TO READ) ITS EFFECTIVENESS IS AS FAR AS POSSIBLE ASSURED BY THE GOVERNMENTS OF THE DEVELOPING COUNTRIES, ESPECIALLY AS REGARDS THE QUALITY OF PERSONNEL; (REMAINING SECTIONS IN PARA. UNCHANGED).

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INFO OCT-01 ARA-10 EUR-12 EA-10 ISO-00 DIWY-01 IOE-00

SSO-00 NSCE-00 USIE-00 INRE-00 CIAE-00 DODE-00 PM-03

H-02 INR-07 L-02 NSAE-00 NSC-05 PA-02 PRS-01 SP-02

SS-15 AF-06 NEA-09 OIC-02 AID-05 COME-00 EB-07 SIL-01

LAB-04 TRSE-00 ACDA-10 AGR-10 OMB-01 TAR-01 STR-04

CIEP-02 FRB-01 CEA-01 /147 W  
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O R 241726Z MAR 75

FM AMEMBASSY LIMA

TO SECSTATE WASHDC IMMEDIATE 4425

INFO AMEMBASSY TOKYO

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USMISSION EC BRUSSELS

USMISSION OECD PARIS

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USMISSION USUN NEW YORK

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(G) TO ENCOURAGE WHENEVER POSSIBLE THEIR ENTERPRISES TO PARTICIPATE IN INVESTMENT PROJECTS WITHIN THE FRAMEWORK OF THE DEVELOPMENT PLANS AND PROGRAMMES OF THE DEVELOPING COUNTRIES WHO SO DESIRE, TO DO EVERYTHING LEGALLY POSSIBLE TO ENSURE THAT SUCH ACTIVITIES ARE CARRIED OUT IN ACCORDANCE WITH THE LAWS AND REGULATIONS OF THE DEVELOPING COUNTRIES CONCERNED;

(H) DISCUSSION DEFERRED.

(I) ADOPTION AND IMPLEMENTATION OF APPROPRIATE MEASURES  
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FOR THE ESTABLISHMENT OF A FAVOURABLE BALANCE FOR DEVELOPING COUNTRIES BETWEEN THE PRODUCTION OF SYNTHETICS AND THOSE NATURAL PRODUCTS OF THE DEVELOPING COUNTRIES WHICH ARE IN DIRECT COMPETITION WITH THEM. THE DEVELOPED COUNTRIES SHOULD ASSIST THE DEVELOPING COUNTRIES IN RAISING THE COMPETITIVENESS OF THEIR PRODUCTION FROM NATURAL RAW MATERIALS WITH RESPECT TO SYNTHETIC SUBSTANCES IN ORDER TO ACHIEVE GENERAL PROGRESS; (PARA. 59(I) HAS BEEN RECOGNIZED BY MOST GROUP B COUNTRIES AS BEING UNACCEPTABLE IN ITS PRESENT FORM. EFFORT TO REVISE WILL BE MADE IN SECOND READING.)

(J) DISCUSSION DEFERRED.

4. QUOTE 60. AT THE SUB-REGIONAL, REGIONAL AND INTERREGIONAL LEVELS THE DEVELOPING COUNTRIES SHOULD ADOPT THE FOLLOWING MEASURES:

(A) PROMOTION OF DIRECT TRADE BETWEEN DEVELOPING COUNTRIES IN ORDER TO SUBSTANTIALLY IMPROVE THE SHARE OF DEVELOPING COUNTRIES IN INTERNATIONAL TRADE IN FINISHED PRODUCTS, TO ELIMINATE ANY ADVERSE EFFECTS RESULTING FROM TRIANGULAR TRADE, AND TO ESTABLISH APPROPRIATE MECHANISMS TO THAT END;

(B) ADOPTED WITHOUT AMENDMENT.

(C) ADOPTED WITHOUT AMENDMENT.

(D) IN ORDER TO ACCELERATE THE INDUSTRIAL DEVELOPMENT OF THE LEAST DEVELOPED COUNTRIES AND IN ORDER TO PROMOTE CO-OPERATION AMONG DEVELOPING COUNTRIES, THE CONFERENCE INVITES THE DEVELOPING COUNTRIES' MAIN PRODUCERS AND EXPORTERS OF BASIC RAW MATERIALS TO GRANT, WITHIN THE FRAMEWORK OF THEIR OVER-ALL ECONOMIC POLICY AND/OR BILATERAL ARRANGEMENTS, FAVOURABLE CONDITIONS, AND IN PARTICULAR FAVOURABLE FACILITIES FOR PAYMENT;

((E) CONSIDERATION DEFERRED.

(F) CONSIDERATION DEFERRED.

(G) ADOPTED WITHOUT AMENDMENT.

(H) ADOPTED WITHOUT AMENDMENT.

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(I) ADOPTED WITHOUT AMENDMENT.

(J) ADOPTED WITHOUT AMENDMENT.

(K) LAST SENTENCE REVISED AS FOLLOWS: TO THIS EFFECT, UNIDO  
SHOULD IMPLEMENT AND EXPAND ITS PROGRAMME IN THIS AREA.

(L) ADOPTED WITHOUT AMENDMENT.

(M) ADOPTED WITHOUT AMENDMENT.

(N) ADOPTED WITHOUT AMENDMENT.

5. PARA. 61. PARAGRAPH DELETED. END QUOTE

6. ADDITIONAL PARAGRAPHS OF PLAN OF ACTION WILL BE CABLED  
LATER TODAY.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENT DRAFT, TEXT, COMMITTEES, DECLARATIONS, INTERNATIONAL ORGANIZATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
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**Office:** ACTION IO  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 6  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 TEL LIMA 2350  
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**Review Authority:** hartledg  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** UNIDO-II--DRAFT DECLARATION OF PRINCIPLES  
**TAGS:** EGEN, PE, UNIDO  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006